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C O N F I D E N T I A L SECTION 01 OF 02 NEW DELHI 006847

SIPDIS

E.O. 12958: DECL: 09/05/2015 TAGS: <u>PREL KDEM PGOV IN NP</u>

SUBJECT: INDIAN MINISTER: NEPAL'S KING UNREPENTANT, BUT GOI

WILL NOT BLINK

Classified By: A/DCM Geoff Pyatt for Reasons 1.4 (B, D)

11. (C) Summary: Indian Minister Jaipal Reddy told us that Nepal's King Gyanendra was unrepentant in a discussion at the August 29 SAARC information ministers' meeting. The King is hoping India will blink, but it will not, Reddy said. In the meantime, he argued, the Maoists are gaining ground and Indian naxalites are deriving encouragement from their Nepalese counterparts' political success. End Summary.

King Unrepentant, India Will Not Blink

- 12. (C) Nepal's King Gyanendra was "unrepentant" in an August 29 meeting with SAARC Information Ministers, Indian Minister of Information and Broadcasting Jaipal Reddy told A/DCM and Poloff on September 2. In a forum with all SAARC ministers, the King spoke primarily with Reddy and his Pakistani counterpart, the minister said. Reddy told Gyanendra and his Pakistani interlocutor that their arguments about Western laws being tightened post-9/11 were inapplicable to their own countries, as Western actions were aimed at enemies, and could not be used as an argument to "deny democracy to one's own people." Reddy also warned the Nepalese ministers in attendance that the Maoists have gained ground in the six months since the King seized power.
- 13. (C) Reddy, a senior Congress Party leader, noted that the King is very concerned about the GOI position on restoration of democratic governance, and expects New Delhi to give in. However, he predicted, the Indian Cabinet "will not blink," because New Delhi recognizes that giving in to the King would only strengthen the Maoists' position. While the BJP wants to support the monarchy, he reported, solid Left Front support will buttress the GOI stance to hold out for a restoration of democracy.

Maoists Gaining in Nepal and India

- 14. (C) Reddy opined that the King's continuation of feudalism would over time further advantage the Maoist insurgency. Because Gyanendra removed the buffer of the political parties between himself and the people, the Nepalese public is becoming further opposed to monarchy, Reddy commented, and the Maoists are gaining ground in public opinion.
- 15. (C) Worse, Indian naxalite Maoists are deriving "fresh inspiration" from perceived Maoist success in Nepal, Reddy observed, adding that a Maoist takeover would threaten not only democracy in Nepal but also India. (Reddy's home state of Andhra Pradesh has its own naxalite insurgency.) The King is gambling that India's security interests would force New Delhi to intervene in a crisis, but the GOI is maintaining its stand for democracy, Reddy stated.

Comment: Staying the Course

- 16. (C) Reddy's presentation came across as much more heartfelt than the points we hear from MEA bureaucrats. His observations confirm that, while the Palace continues to insist to GOI interlocutors that its actions are both necessary and ultimately democratic, the UPA government has no intentions of giving up its insistence on democracy. Unfortunately, Reddy's interactions with Gyanendra did not provide him any insights on how to convince the King to back down from his position.
- 17. (U) Visit New Delhi's Classified Website:
 (http://www.state.sgov/p/sa/newdelhi)
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